

**Disclosure of Credit Risk Information and Capital Adequacy**

**South-West Credit Union Co-operative Limited**

In accordance with APRA prudential standard APS 330 - As At 30 September-2021

|   | 30-Sep-21     | 30-Jun-21     |
|---|---------------|---------------|
| <b>Capital structure</b>                  |               |               |
|   | \$,000        | \$,000        |
| <b>Tier 1 capital</b>                     |               |               |
| General reserves and retained earnings    | 10,224        | 10,154        |
| Capital Reserve                           | 1,533         | 1,533         |
| Less deductions from tier 1 capital       | 610           | 631           |
| <b>Tier 1 capital (net of deductions)</b> | <b>11,147</b> | <b>11,056</b> |
| <b>Tier 2 capital</b>                     |               |               |
| <b>Tier 2 capital (net of deductions)</b> | <b>340</b>    | <b>340</b>    |
| <b>Total capital base</b>                 | <b>11,487</b> | <b>11,396</b> |

|  | 30-Sep-21                        | 30-Jun-21                        |
|--|----------------------------------|----------------------------------|
| <b>Capital Adequacy</b>                |                                  |                                  |
|  | Risk weighted exposure<br>\$,000 | Risk weighted exposure<br>\$,000 |
| <b>Risk weighted exposures</b>         |                                  |                                  |
| Capital requirements -                 |                                  |                                  |
| - for credit risk                      |                                  |                                  |
| Deposits with banks and ADIs           | 19,469                           | 20,543                           |
| Loans and advances                     |                                  |                                  |
| Claims secured by residential mortgage | 31,919                           | 32,173                           |
| Other members loans                    | 8,804                            | 7,271                            |
| Commitments for loans and advances     |                                  |                                  |
| - Loans approved not advanced          | 3,470                            | 3,423                            |
| - Loan redraw facilities               | 2,964                            | 2,816                            |
| - for other assets                     | 3,370                            | 3,220                            |
| - for operational risk                 | 9,754                            | 9,754                            |
| <b>Total risk weighted exposures</b>   | <b>79,750</b>                    | <b>79,200</b>                    |
| <b>Credit Union capital base</b>       |                                  |                                  |
| - Net tier 1 capital                   | 11,147                           | 11,056                           |
| - Total capital base                   | 11,487                           | 11,396                           |
| <b>Capital adequacy ratio</b>          |                                  |                                  |
| - on net tier 1 capital                | 14.0%                            | 14.0%                            |
| - on total capital base                | 14.4%                            | 14.4%                            |

| <b>Credit risk</b>  |                                   |  |                     |                  |                             |  |
|---|-----------------------------------|--|---------------------|------------------|-----------------------------|--|
| For the three month period ended 30 September 2021                  |                                   |  |                     |                  |                             |  |
|   | Gross exposures at reporting date | Average gross exposures for the period | Impaired facilities | 90 days past due | Specific provisions balance | Charge for specific provisions and write-offs for the period |
|   | \$,000                            | \$,000                                 | \$,000              | \$,000           | \$,000                      | \$,000   |
| <b>Deposits with banks or ADIs</b>                                  | <b>108,044</b>                    |  | -                   | -                | -                           | -  |
| <b>Loans and advances:</b>  |                                   |  |                     |                  |                             |  |
| On balance sheet:   |                                   |  |                     |                  |                             |  |
| - secured by residential mortgage                                   | 88,733                            | 88,984                                 | -                   | -                | 63                          | (9)  |
| - other members loans   | 7,874                             | 7,624                                  | -                   | -                | 38                          | 8  |
| Off balance sheet commitments:                                      |                                   |  |                     |                  |                             |  |
| - loans approved not advanced                                       | 9,914                             | 9,847                                  | -                   | -                | -                           | -  |
| - loan balances available for redraw                                | 14,813                            | 14,447                                 | -                   | -                | -                           | -  |
| - other irrevocable standby commitments                             | 6,484                             | 6,367                                  | -                   | -                | -                           | -  |
| <b>Total loans and advances</b>                                     | <b>127,818</b>                    | <b>127,267</b>                         | -                   | -                | 101                         | (1)  |
| The general reserve for credit losses at reporting date is (\$000): |                                   |  |                     |                  | <b>\$340</b>                |  |

| <b>Credit risk</b>  |                                   |  |                     |                  |                             |  |
|---|-----------------------------------|--|---------------------|------------------|-----------------------------|--|
| For the three month period ended 30 June 2021                       |                                   |  |                     |                  |                             |  |
|   | Gross exposures at reporting date | Average gross exposures for the period | Impaired facilities | 90 days past due | Specific provisions balance | Charge for specific provisions and write-offs for the period |
|   | \$,000                            | \$,000                                 | \$,000              | \$,000           | \$,000                      | \$,000   |
| <b>Deposits with banks or ADIs</b>                                  | <b>101,624</b>                    |  | -                   | -                | -                           | -  |
| <b>Loans and advances:</b>  |                                   |  |                     |                  |                             |  |
| On balance sheet:   |                                   |  |                     |                  |                             |  |
| - secured by residential mortgage                                   | 89,234                            | 90,485                                 | 166                 | -                | 72                          | (11)   |
| - other members loans   | 7,373                             | 7,355                                  | -                   | -                | 30                          | (14)   |
| - commercial  |                                   |  | -                   | -                | -                           | -  |
| Off balance sheet commitments:                                      |                                   |  |                     |                  |                             |  |
| - loans approved not advanced                                       | 9,780                             | 9,747                                  | -                   | -                | -                           | -  |
| - loan balances available for redraw                                | 14,080                            | 10,496                                 | -                   | -                | -                           | -  |
| - other irrevocable standby commitments                             | 6,249                             | 6,025                                  | -                   | -                | -                           | -  |
| <b>Total loans and advances</b>                                     | <b>126,716</b>                    | <b>124,107</b>                         | 166                 | -                | 102                         | (25)   |
| The general reserve for credit losses at reporting date is (\$000): |                                   |  |                     |                  | <b>\$340</b>                |  |